

Gates, Nina

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From: C. [cjsalvo2010@yahoo.com]
Sent: Monday, May 03, 2010 1:58 PM
To: ViceChairman.Howard; Commissioner.Mitchell
Cc: Chairman.Fleming; Commissioner.Whitfield
Subject: Berkeley Electric Coop.

Commissioners:

For at least once in your terms, insist that SCEG answer to their customers.....**not their stockholders.**

CHARLESTON REGIONAL BUSINESS JOURNAL

Berkeley Electric Cooperative announces 7.3% rate decrease

Staff Report
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Berkeley Electric Cooperative customers will see an average rate decrease of 7.3% effective April 1, the company announced last week. The decrease works out to about \$12.50 per month, or \$150 a year, in savings for the utility's 81,000 customers in Charleston, Berkeley and Dorchester counties.

A reduction in the cost for wholesale power has allowed for the lowering, officials at the Moncks Corner-based company said.

Electricity rates ballooned in 2008 and 2009 because of the rising cost of coal, according to the utility. In the past few months, however, coal prices have fallen, taking so-called base rates down with them.

"Base rates don't change often; that's why this is a big deal," Berkeley Electric spokesman Micha Ponce said.

Based on a recent study of the cost of service, the utility said rates should remain stable through 2012. After that, however, the forecast is uncertain — Berkeley Electric cited possible federal cap-and-trade legislation and moves by the Environmental Protection Agency as unknowns that could affect customers' bills.

Officials said that, to this point, rate fluctuations have been solely attributable to wholesale power cost adjustments and that distribution costs were not responsible for any increases.

The utility's announcement comes at a time when S.C. Electric & Gas Co. is requesting a rate hike of nearly 10% by July of next year. Unlike SCE&G, Berkeley Electric does not generate its own power. It distributes electricity that is generated by the state-owned utility Santee Cooper.

The S.C. Public Service Commission is slated to hold a hearing on SCE&G's proposed increase in May, with a ruling expected sometime in July.

Berkeley Electric also announced that excess margins — revenue that exceeded operating costs — will be allocated back to customers, with a portion paid annually in the way of capital credits. In December of 2009, the utility returned more than \$540,000 to its members.

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